



PROGRAM UPDATE

Work Force Restructuring and Community Transition Programs United States Department of Energy July - September 2003

THE OFFICE OF WORKER AND COMMUNITY TRANSITION PROGRAMS TO BE ADMINISTERED BY THE OFFICE OF LEGACY MANAGEMENT (LM)

The Department of Energy is making progress toward the formal establishment and operation of the Office of Legacy Management (LM). However, LM will not be fully operational, as an independent office, until after the President and the Congress agree to Fiscal Year 2004 funding levels for the Department. We will continue working on all actions to fully stand-up LM including discussions with the unions.

The next edition of this publication will reflect a name change and provide more information on LM.

FISCAL YEAR 2002 ANNUAL REPORT FOR WORK FORCE RESTRUCTURING AND COMMUNITY TRANSITION

In July 2003, Secretary Abraham approved for publication the *Annual Report for Work Force Restructuring and Community Transition, Fiscal Year 2002*. Section 3161(e)(2) of the National Defense Authorization Act for Fiscal Year 1993 directs the Secretary of Energy to provide annual updates of approved work force restructuring plans that evaluate the implementation of the plan during the year preceding the report.

The Report reviews the implementation of work force restructuring plans during fiscal year 2002. A total of 2,014 contractor employees were separated from the Department as a result of reduction-in-force (RIF) actions. An additional 4,163 separations occurred through attrition.

Of the RIF separations, 45 percent were voluntary. In achieving these results, 505 workers accepted early retirement offers, and 410 employees accepted non-retirement voluntary separations. There were 1,099 contractor employees involuntarily separated. The cost of implementing these plans was \$48.1 million.

The Report is available on-line at <http://www.wct.doe.gov> under Program Documentation, "Program Reports and Presentations".



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WORK FORCE RESTRUCTURING ACTIVITIES

WORK FORCE RESTRUCTURING AT IDAHO

BBWI completed an involuntary separation of 204 employees at the Idaho National Engineering and Environmental Laboratory in September 2003. The reductions were influenced by project completion, skill mix balances, outsourcing of non-core support activities, and process efficiencies.

WORK FORCE RESTRUCTURING AT OAK RIDGE

Bechtel Jacobs Company, LLC completed implementation of a reduction in force impacting 200 employees at Oak Ridge in September 2003, due to project completion; lack of critical skills needed to perform closure activities; efficiency improvements and associated cost savings; and changes in the FY 2003 work scope. The majority of the impacted employees were subcontractors to Bechtel Jacobs.

COMMUNITY TRANSITION ACTIVITIES

DEPARTMENT OF ENERGY AWARDS \$2 MILLION TO THE PINELLAS PLANT COMMUNITY REUSE ORGANIZATION

The Department of Energy (DOE) will award \$2 million to the Pinellas Plant Community Reuse Organization (CRO) located at the Department's former Pinellas Plant near Tampa, Florida.

The grant will be used to help complete the infrastructure improvements at the Young-Rainey STAR Center. These improvements are required to transform the former DOE plant into a high-tech manufacturing center with over 25 tenants. Infrastructure improvements will include completing the required roof repair on the main building-- a project that is critical to retain the anchor tenant currently leasing 60 percent of the space and renovating space to provide modern office suites to better attract new tenants and other infrastructure improvements. Once the renovations are completed, the space will accommodate an additional 250 employees with 96 percent of the STAR Center's total available space being leased.

The Department and the CRO have created or retained 3,038 new jobs, and estimate that 3,510 jobs will be created or retained by 2005.

At the time the DOE and its management and operating contractor left the plant on December 31, 1997, there were only 200 workers remaining. As of May 1, 2003, there were approximately 1,500 employed at the STAR Center. By the end of 2005, the Young-Rainey STAR Center will employ approximately 1,750.



A CRO is an organization recognized by the Energy Department that can apply for funding for programs that can modify the impacts of work force restructuring at its facilities and reduce community dependence on the Department's activities.

DEPARTMENT OF ENERGY AWARDS \$200,000 GRANT TO THE FERNALD COMMUNITY REUSE ORGANIZATION

The Department of Energy will award \$200,000 to the Fernald Community Reuse Organization, the community reuse organization for the Department's Fernald site in Ohio. This grant will be used for the Hamilton/Butler County Business Incubator located in the Central Business District. Business incubators help young firms to survive and grow during the startup period when they are most vulnerable.

The Hamilton/Butler County Business Incubator will assist startup and emerging and existing businesses by providing hands-on management assistance, access to financing, counseling, training, and technical assistance, as well as shared office services such as access to equipment and flexible leases.

The incubator programs will encourage self employment and convert worker talents into small business ventures thus retaining skills and experience in the community. Downsized employees from Fluor Fernald, as well as those facing future layoffs, will be the direct beneficiaries of this program. Fluor Fernald employees will receive priority for placement and assistance from the Business Incubator.

DEPARTMENT OF ENERGY AWARDS \$300,000 GRANT TO THE REGIONAL DEVELOPMENT CORPORATION IN NEW MEXICO

On July 29, 2003, the Department of Energy announced that it will award \$300,000 to the Regional Development Corporation (RDC). RDC is the community reuse organization (CRO) serving the Department's Los Alamos National Laboratory in New Mexico.

This grant will be used to fund the general administrative expenses of RDC's economic diversification initiatives including the continued support of the Otra Vez project, an asset conversion and skill-training program.

"The Energy Department is a good neighbor to the communities surrounding our sites," Secretary of Energy Spencer Abraham said. "We will continue to work with the Regional Development Corporation and other community reuse organizations around the country, to retain, expand or create jobs for workers affected by restructuring efforts."

The Otra Vez project provides vocational training and permanent employment for the trainees through a program that upgrades and sells surplus computers, office equipment, and furniture that were originally Los Alamos National Laboratory surplus property. Other initiatives include the New Mexico BizSites.com project, a regional GIS-based commercial building and parcel identification and description system to facilitate area business development activities, and the Connect Rio Arriba project to establish broadband access to rural Northern New Mexico to attract and retain major businesses.



The Energy Department and RDC have created or retained 975 new economy jobs, and estimate that 3,030 jobs will be created or retained by 2005.

DEPARTMENT OF ENERGY AWARDS \$300,000 GRANT TO THE NEVADA TEST SITE DEVELOPMENT CORPORATION

On July 28, 2003, the Department of Energy announced that it will award \$300,000 to the Nevada Test Site Development Corporation (NTSDC), the community reuse organization (CRO) for the Nevada Test Site. The grant will be used to continue supporting current projects and programs including a partnership with the Oak Ridge National Laboratory to assist with commercializing new technologies developed at the Lab. Funds will also be used to support a project with Kistler Aerospace Corporation, the developer of the world's first fully reusable launch vehicle to enable Kistler to pursue launch-recovery operations at the site.

The Energy Department and NTSDC have created or retained 1,945 new economy jobs, and estimate that 3,000 jobs will be created or retained by 2005.

NTSDC recently aligned with the University of Nevada Las Vegas (UNLV) Research Foundation to enhance its capabilities. This alliance supports the goals and objectives of both organizations and combines resources to maximize job creation, technology development, and diversification initiatives.

NTSDC will also work with the Research Foundation to develop, construct, market, and lease UNLV's Research Park which will create an opportunity for industry and researchers to work together to develop new technologies leading to new high-tech industries and high-valued job opportunities.

A CRO is an organization recognized by the Energy Department that can apply for funding for programs that can modify the impacts of work force restructuring at its facilities and reduce community dependence on the Department's activities.

DEPARTMENT OF ENERGY AWARDS \$300,000 GRANT TO THE SOUTHERN OHIO DIVERSIFICATION INITIATIVE

On July 17, 2003, the Department of Energy announced that it will award \$300,000 to the Southern Ohio Diversification Initiative (SODI), the community reuse organization (CRO) for the Department's Portsmouth Gaseous Diffusion Plant. This grant will be used to help fund SODI's general administrative costs which will enable the CRO to manage ongoing community transition projects.

"The Energy Department is a good neighbor to the communities surrounding our sites," Secretary of Energy Spencer Abraham said.. "We will continue to work with the Southern Ohio Diversification Initiative and congressional leaders, like Rob Portman, to retain, expand or create jobs for workers affected by restructuring efforts. "The Energy Department and SODI have created or retained 887 new economy jobs, and estimate that 3,079 jobs will be created or retained by 2005.



SODI has established a strong economic development presence in the four county region of Pike, Scioto, Ross and Jackson. It has supported five new industrial parks for the region, a revolving loan fund, and infrastructure and transportation upgrades. SODI also has direct management responsibility for the leased property and asset reuse at the Department's Portsmouth site; the Zahns Corner Industrial Park development; the regional marketing strategy; the regional work force training and development program; intermodal facility development; and business incubator/learning center operations.

A CRO is an organization recognized by the Energy Department that can apply for funding for programs that can modify the impacts of work force restructuring at its facilities and reduce community dependence on the Department's activities.

DEPARTMENT OF ENERGY AWARDS \$260,000 GRANT TO THE PINELLAS PLANT COMMUNITY REUSE ORGANIZATION

On July 3, 2003, the Department of Energy (DOE) announced that it will award \$260,000 to the Pinellas Plant Community Reuse Organization (CRO) located at the Department's former Pinellas Plant near Tampa, Florida. The grant will be used for the Suncoast Technology Enterprise Accelerator Project, a program to provide startup enterprises with the necessary specialized business mentoring, technology development and manufacturing planning assistance, and access to all required professional services vital to a successful enterprise. The Suncoast Technology Enterprise Accelerator Project will be located at the Young-Rainey STAR Center.

The Energy Department and the CRO have created or retained 3,038 new jobs, and estimate that 3,510 jobs will be created or retained by 2005.

The CRO was recognized by the DOE in January 1995. Its mission was to develop non-defense uses for the technology and the work force to help mitigate the effects of phasing out the weapons mission at Pinellas.

DEPARTMENT OF ENERGY AWARDS \$295,000 GRANT TO SAVANNAH RIVER REGIONAL DIVERSIFICATION INITIATIVE

On July 1, 2003, the Department of Energy (DOE) announced that it will award \$295,000 to the Savannah River Regional Diversification Initiative (SRRDI), to establish a positive economic development environment that includes job creation, job retention, and entrepreneurial development in high-tech and manufacturing businesses. SRRDI is the community reuse organization (CRO) for the Department's Savannah River Site.

"The Energy Department is a good neighbor to the communities surrounding our sites," Secretary of Energy Spencer Abraham said. "We will continue to work with the Savannah River Regional Diversification Initiative and other community reuse organizations around the country, to retain, expand or create jobs for workers affected by restructuring efforts."

Of the grant amount, \$60,000 will be used for image development for the Central Savannah River Area, a major participant in fuel cell and hydrogen-related markets. Another \$60,000 of the grant will be used in a coordinated effort between SRRDI and the Tri-County Alliance, an economic development organization, to fund a Marketing and Strategic Recruitment Initiative in



the Tri-County area. Finally, \$175,000 will be used to help fund general administrative purposes to continue other ongoing SRRDI initiatives.

The Energy Department and SRRDI have created or retained 6,997 new economy jobs, and estimate that 12,722 jobs will be created or retained by 2005.

SRRDI was established in 1993 to mitigate the adverse effects of downsizing DOE's Savannah River Site on the five county area of Barnwell, Aiken, and Allendale counties in South Carolina, and Richmond and Columbia counties in Georgia.

ASSET MANAGEMENT ACTIVITIES

Beryllium Metal Coordination

The Office of Legacy Management is working with the National Nuclear Security Administration and the Offices of Science and Nuclear Energy, Science and Technology to clear the Action Memorandum requesting Deputy Secretary McSlarrow to establish a Beryllium Coordinating Committee. The Beryllium Coordinating Committee will serve to integrate the Department of Energy's various programs involving beryllium metal. In addition, the Beryllium Coordinating Committee will serve to establish the Department's position prior to discussions with the Department of Defense on the allocation of beryllium metal in the National Defense Stockpile Center.

REQUEST FOR WT PUBLIC DOCUMENT(S)

Name: _____

Organization: _____

Position: _____

Street address: _____

City and state: _____

Zip code: _____

Phone: _____

Fax: _____

E-mail address: _____

DOCUMENTS REQUESTED:

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